

**EXHIBIT A**

1  
2 UNITED STATES BANKRUPTCY COURT

3 DISTRICT OF DELAWARE

4 - - - - -x

5 In the Matter of:

6 RAVN AIR GROUP, INC., et al.,

Case No.

7 Debtors.

20-10755 (BLS)

8 - - - - -x

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10  
11 United States Bankruptcy Court

12 824 North Market Street

13 Wilmington, Delaware

14  
15 August 4, 2020

16 11:10 AM

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19 B E F O R E:

20 HON. BRENDAN L. SHANNON

21 U.S. BANKRUPTCY JUDGE

22  
23 ECR OPERATOR: DANA L. MOORE

Debtors' Motion for Orders (I) (A) Authorizing and Approving the Bidding Procedures, (B) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases, (C) Approving the Notice Procedures, (D) Authorizing Entry Into One or More Stalking Horse Agreements, and (E) Setting a Date for the Sale Hearing; and (II) Authorizing and Approving (A) the Sale of Certain Assets Free and Clear of All Liens, Claims, Encumbrances and Interests, (B) the Assumption and Assignment of Certain Contracts, and (C) Payment of Bid Protections, If Applicable [Dkt. No. 197; 05/14/2020]

Transcribed by: Emily Howard

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9 ALSO PRESENT:

10 THOMAS HSIEH, CEO, FLOAT Shuttle, Inc.

11 ROB MCKINNEY, FLOAT Shuttle, Inc.

12 RICHARD F. NEWMAN, Managing Director, Alvarez & Marsal

13 MATTHEW HENRY, Alvarez & Marsal  
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RAVN AIR GROUP, INC., ET AL.

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## P R O C E E D I N G S

THE COURT: Good morning, all. This is Judge Shannon. I understand from the operator that all necessary parties are on the call today. This is a telephonic and video hearing in the Ravn Air Group family of cases, case number 20-10755. This is the adjourn date. It had originally been scheduled for yesterday, but I had to move it today because of a scheduling conflict. I apologize if that was burdensome on any party. But we are here on a single matter which relates to the debtors' ongoing sale process.

Before we begin, I would make the following observation. On the east coast here, we are in the midst of a tropical storm. Hang on just a second. I'm going to ask that anyone that's not speaking to the Court right now, please place your phone on mute. We're getting a lot of feedback and a lot of sound. Thank you.

So anyway, here on the east coast, and particularly in Delaware, we're in the midst of a tropical storm. My understanding is that at least a good chunk of my staff at home have lost power, so I'm concerned that we may lose some of the participants in our proceeding today. But it looks like I can see most of the major players. So we're going to go forward. I have also noticed that the lights in this building have flickered, so if you lose me, we'll see you tomorrow.

But with that, I appreciate your patience and I'll

1 bidders had not colluded and that there was a representative  
2 from each bidder present with authority to bind the bidder, the  
3 auction was recessed for four hours, during which time the  
4 debtors conferred with all of the bidders to try to get them to  
5 increase their prices. And for most of them, they were able to  
6 get higher prices based on those discussions.

7           Ultimately, the debtors sold five additional lots,  
8 including the debtors' Part 135 certificates, much of the  
9 debtors' remaining real property and some additional aircraft.  
10 And as a result of all of those sales, the debtors, at this  
11 point, have generated over fifty-five million dollars in  
12 proceeds. And I'll just remind Your Honor and the other  
13 parties that fifty-five million dollars is the magic number  
14 after which the general unsecured creditors are able to share  
15 in the sale proceeds. And the debtors still have some  
16 additional unsold assets, including valuable spare parts  
17 inventory remaining that can be sold through the liquidating  
18 trust.

19           I want to briefly address the statement of Wexford  
20 that Your Honor alluded to at the beginning of this hearing.

21           THE COURT: Ms. Kim, before you turn to that, or this  
22 may be part of turning to that, I just want to make sure I  
23 understand the debtors' position. I think, as it relates to  
24 the Part 121, the debtors' position is that these were sold and  
25 that the sale was approved earlier in -- I guess on the 9th of

1 July. Am I correct in that? The 121 certificates were not the  
2 subject of the very recent auctions and proceedings you just  
3 described.

4 I just want to make sure -- we've got a lot of  
5 different parts and I just want to make sure I have a handle on  
6 the current state of play.

7 MS. KIM: That is correct, Your Honor. At the July  
8 9th hearing, and the reason that we had pushed back the hearing  
9 by an hour was in order to be able to have that sale, the sale  
10 to FLOAT of the Part 121-related assets brought before Your  
11 Honor for approval on July 9th. And in fact, Your Honor did  
12 approve that sale on July 9th.

13 And that's actually one of the issues with the  
14 statement that Wexford filed last night, is that it's not at  
15 all clear what the procedural posture of that statement is.  
16 Putting aside the fact that as the Court is well-aware,  
17 disappointed bidders -- the standing of disappointed bidders is  
18 not as aggrieved creditors and they lack standing to oppose a  
19 sale in the absence of evidence of inherent unfairness.

20 THE COURT: Yeah, although the Court has generally  
21 looked at aggrieved bidders as not having standing to complain  
22 about the debtors' business judgment, but that they always have  
23 standing to challenge the sufficiency or integrity of the  
24 process. And my approach on the standing question is to  
25 conduct the hearing and then decide standing at the end of it.

1 So why don't we move on?

2 MS. KIM: Thank you, Your Honor. I was going to say,  
3 though, that that opportunity to bring that complaint would  
4 have been on July 9th at that sale hearing, when the FLOAT sale  
5 was up for approval before the Court and the Court was  
6 considering it. And in fact, both Mr. Wolfshohl and Mr.  
7 Schmidt, according to the transcripts, were present at that  
8 hearing. So to the extent it's an objection, it's an objection  
9 to a sale that the Court approved at the sale hearing three  
10 weeks ago, and not a sale that's being considered at today's  
11 hearing.

12 To the extent it's a motion, it's not at all clear  
13 what the -- what Wexford is asking the Court to do. But let me  
14 just -- I will talk a little bit about the process and the  
15 fairness of the process. The fact is that every decision that  
16 the debtors made with respect to accepting the bids was made  
17 with the full involvement and support of the lenders and the  
18 committee and was after two robust days of discussions during  
19 recesses in the auction, when -- and Your Honor is well-aware  
20 that the public portion of an auction is not the sole part of  
21 an auction. There's a lot of discussions in the hallway or, in  
22 our case, in Zoom breakout sessions and separate phone calls  
23 that takes place during -- in between the auction that's really  
24 part of that bid process.

25 These sales were arm's length transactions and were

C E R T I F I C A T I O N

I, Emily Howard, certify that the foregoing transcript is a true and accurate record of the proceedings.



August 6, 2020

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EMILY HOWARD (CDLT-219)

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DATE

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